

## Message Text

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FM SECSTATE WASHDC

TO AMEMBASSY JAKARTA

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E.O. 11652: NA

TAGS: OREP, DS (JEFFORDS, JAMES M)

SUBJECT: TEXTS OF TALKS TO BE GIVEN BY CONGRESSMAN JEFFORDS

1. FOLLOWING ARE TEXTS OF STATEMENTS PREPARED BY CONGRESSMAN JEFFORDS' STAFF TO BE USED AT DECEMBER 15 MEETINGS. JEFFORDS' STAFF WOULD APPRECIATE EMBASSY PROVIDING JEFFORDS WITH ANY COMMENTS THAT IT MIGHT HAVE. THEY WOULD ALSO LIKE JEFFORDS TO TELEPHONE WASHINGTON OFFICE ON COMMITTEE ASSIGNMENTS AND OTHER MATTERS SOONEST.

2. ITEMS FOR DISCUSSION AT DEC 15 AFTERNOON OFF-THE-RECORD ROUNDTABLE:

A. HUMAN RIGHTS SITUATION - EMPHASIZE THE FACT THAT YOU ARE PLEASED WITH THE ATTENTION THE INDONESIANS HAVE GIVEN TO THIS QUESTION, AND THAT CONTINUED VISIBLE PROGRESS WILL BE IMPORTANT IN ORDER TO SUSTAIN A POSITIVE RELATIONSHIP WITH THE CONGRESS.

B. ON LOBBYING IN CONGRESS - DESPITE THE ADVENT OF A NEW ADMINISTRATION, YOU FULLY EXPECT THAT THE TREND WILL BE FOR CONGRESS TO CONTINUE TO EXERCISE NEW VIGOR IN THE INTERNATIONAL FIELD, AND THUS THE INITIATIVES THAT HAVE BEGUN TO  
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ESTABLISH A DIRECT RELATIONSHIP SHOULD CONTINUE - BUT BE

CAREFUL OF THE EXTREME SENSITIVITY OF MANY TO ANY FORM OF INFLUENCE PEDDLING AT ALL REMINISCENT OF WHAT THE KOREANS

(AND TAIWANESE) ARE ENGAGING IN.

C. ASSURE THEM THAT YOU WILL PUT IN AN AMENDMENT TO THE TRADE REFORM ACT OF 1974 WHICH WILL REMOVE THOSE OPEC NATIONS FROM THE DISCRIMINATORY TREATMENT WHICH DID NOT ENGAGE IN THE EMBARGO. (THE ACT EXCLUDES INDONESIA, NIGERIA AND VENEZUELA, WHICH DID NOT ENGAGE IN THE EMBARGO FROM THE GENERALIZED SYSTEM OF PREFERENCES (GSP)). BUT, IT WILL ONLY BE POSSIBLE TO ARGUE THE CASE IF THE CURRENT ROUND OF PRICE INCREASES SHOWS MODERATION. MODERATION IS SIGNIFICANTLY BELOW TEN PERCENT. ABOUT TEN PERCENT THE AMENDMENT WILL PROBABLY BE DOOMED.

D. REITERATE POINTS ON THE FOOD AND ENERGY QUESTION FOR TRANSFER OF TECHNOLOGY (IN SOLAR), AND MORE SYSTEMATIZED PLANNING (IN FOOD).

E. ASK FOR PROPOSALS AND IDEAS FROM THE INDONESIANS, ON HOW THEY VIEW THE DEVELOPING US-INDONESIA RELATIONSHIP, HOW IT CAN BE IMPROVED; WHAT DO THEY WANT TO SEE DONE (YOU HAVE TO FLUSH THEM OUT ON THIS, BUT THE EMBASSY IN WASHINGTON EMPHASIZED THIS POINT, ASK THEM POINT BLANK FOR IDEAS THAT WE CAN BE RESPONSIVE TO).

F. STRESS THAT YOU ARE CONCERNED ABOUT THE VERY FEW SOURCES OF INFORMATION ON INDONESIA WHICH REACH CONGRESS AND THAT THE SOURCES INCLUDE, AS A PRACTICAL MATTER, U.S. GOVERNMENT PEOPLE AND AMNESTY INTERNATIONAL, THAT MORE INTERNATIONAL PRESS COVERAGE WOULD ENHANCE INDONESIA'S IMAGE IN THE LIBERAL WASHINGTON COMMUNITY; THAT THE IMAGE OF NEWSWEEK BEING BANNED WAS QUITE NEGATIVE AS ARE THE RUMORS OF INVASIONS OF HUMAN RIGHTS; YOUR INFORMATION IS VERY GOOD ON HUMAN PROGRESS, BUT IT IS IMPORTANT TO BE VISIBLE WITHOUT BEING CRASS IN THE KOREAN SENSE IN WASHINGTON, AND IT WOULD GO A LONG WAY TOWARD A SOPHISTICATED PLEADING OF THE INDONESIAN CASE ON A VARIETY OF ISSUES IF THERE WAS MORE ACCESS BY THE INTERNATIONAL PRESS.

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2. ENERGY SPEECH FOR MORNING OF DECEMBER 15

GENERAL MURTOPO, ETC.

IT GIVES ME GREAT PLEASURE TO BE HERE WITH YOU TODAY. AS YOU KNOW, WE ARE ON THE LAST FEW DAYS OF WHAT HAS BEEN A HIGHLY EDUCATIONAL AND PRODUCTIVE TRIP, SPONSORED BY THIS CENTER, AND IT HAS GIVEN ME A FRESH PERSPECTIVE ON THE GREAT POTENTIAL YOUR COUNTRY HAS, AS WELL AS AN APPRECIATION OF THE CHALLENGES YOUR LEADERSHIP FACES IN THE DECADES AHEAD.

I AM PARTICULARLY APPRECIATIVE OF THE TIME THAT THE CENTER HAS GIVEN ME AND MY STAFF IN LIGHT OF THE FACT THAT MANY OF YOU ARE BUSY PREPARING FOR YOUR ELECTIONS IN MAY. AS YOU KNOW, WE HAVE JUST CONCLUDED AN EXCITING PRESIDENTIAL ELECTION IN THE U.S. I MIGHT NOTE IN PASSING THAT ONE OF THE HIGHLIGHTS OF OUR TRIP WAS A VISIT TO SOLO, WHERE I LEARNED A LITTLE ABOUT YOUR POLITICAL MAGIC, KEBATINAN. IF YOU DON'T MIND, I WOULD LIKE TO BORROW A LITTLE KEBATINAN FOR MY NEXT ELECTION, AND I HOPE THAT MY WAHYU WILL EXTEND THAT FAR INTO MY FUTURE.

I WOULD NOTE THAT IT WAS THIS CENTER WHICH PERCEIVED THE GROWING INTEREST OF THE AMERICAN CONGRESS ON FOREIGN POLICY MATTERS TWO YEARS AGO, AND IN OCTOBER 1975 SENT A HIGH-LEVEL DELEGATION LED BY MINISTER SADLI, GENERAL MURTOPO AND GENERAL MURDANI TO MEET WITH VARIOUS U.S. CONGRESSIONAL COMMITTEE AND OTHER MEMBERS OF CONGRESS. THAT TRIP WAS A GOOD BEGINNING FOR A MUTUAL DIALOGUE, AND I FEEL THAT THIS PRESENT TRIP IS JUST ANOTHER SMALL STEP IN A GROWING BENEFICIAL RELATIONSHIP.

I HAVE BEEN THINKING ABOUT THE PROBLEMS WHICH MY COUNTRY AND YOURS MAY SOLVE TOGETHER, AND IN GENERAL, HOW AMERICA AND INDONESIA MAY APPROACH PROBLEM-SOLVING IN A COOPERATIVE FASHION. I AM HOPEFUL THAT WE MAY LEAD THE WAY IN ESTABLISHING METHODS BY WHICH AN ADVANCED INDUSTRIAL COUNTRY LIKE THE U.S. AND A DEVELOPING COUNTRY WITH A SIGNIFICANT RESOURCE BASE AND GREAT HUMAN POTENTIAL LIKE INDONESIA MAY LIMITED OFFICIAL USE  
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SOLVE PROBLEMS TO MUTUAL BENEFIT.

I WOULD LIKE NOW TO TALK PARTICULARLY ABOUT THE PROBLEM OF ENERGY.

WE NATURALLY LOOK AT ENERGY FROM DIFFERENT PERSPECTIVES. THE PRICE INCREASES WHICH HAVE BEEN SO PUBLICIZED IN RECENT YEARS WERE ABRUPT AND CAUSED TEMPORARY DISLOCATIONS IN THE WEST. BUT LOOKING WITH A VIEW OF HISTORY, THAT IS TO SAY FROM THE LONG BACKGROUND OF REPRESSIVE COLONIALISM AND FROM A RATIONAL ECONOMIC PERSPECTIVE, THEY WERE JUSTIFIED - ALTHOUGH THE TIMING WAS VERY DIFFICULT. THE WORLD, HOWEVER, IS ADJUSTING TO IT.

THE OIL PRODUCERS HAVE PUT A PRICE ON THIS VALUABLE COMMODITY WHICH NOW MORE ACCURATELY REFLECTS ITS TRUE WORTH; AND I FULLY APPRECIATE THAT THE REVENUES WHICH ARE GENERATED ARE VITAL TO YOUR DEVELOPMENT. YOU HAVE A BASIC RIGHT TO THESE REVENUES.

I WOULD SAY THAT I HAVE WATCHED THE DEVELOPMENT OF YOUR

STAFF OIL COMPANY, PERTAMINA, WITH INTEREST. PERTAMINA PRODUCES ROUGHLY HALF YOUR REVENUES, AND IT IS OF COURSE THE LEADING SINGLE FACTOR IN YOUR DEVELOPMENT.

THE COMPANY IS OF GREAT INTEREST TO ME BECAUSE NOT ONLY HAS IT DEVELOPED AN EXPERTISE IN THE OIL BUSINESS FROM TOP TO BOTTOM, BEING THE MOST COMPLETE VERTICALLY-INTEGRATED COMPANY OUTSIDE THE ADVANCED COUNTRIES, OUTSIDE THE "SEVEN-SISTERS", BUT, EVEN MORE IMPORTANTLY, IT HAS SUCCESSFULLY FOUGHT FOR AND ATTAINED AN ECONOMIC INDEPENDENCE FROM THE MAJOR COMPANIES. YOU HAVE FORCED THE MOST POWERFUL COMPANIES IN THE WORLD TO ACCEPT PERTAMINA TO A PLACE OF IMPORTANCE, AND AS AN EQUAL IN A HIGHLY COMPLEX BUSINESS. THIS IS AN ACHIEVEMENT THAT FEW OTHER COMPANIES OF ANY KIND OUTSIDE THE WEST CAN BOAST OF. IT WAS EXTREMELY DIFFICULT, AND DESERVES HIGH PRAISE.

IT HAVE ALSO BEEN IMPRESSED BY YOUR EXTENSIVE PLANNING AND DEVELOPMENT IN THE FIELD OF PETROCHEMICALS. IT IS CERTAINLY TRUE THAT OIL IS A COMMODITY WHICH HAS MORE BENEFICIAL LIMITED OFFICIAL USE  
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USES THAN CONVERSION TO GASOLINE FOR AUTOMOBILES. FERTILIZERS AND OTHER PETROCHEMICAL APPLICATIONS ARE MUCH MORE IMPORTANT.

IN REVIEWING THE RESULTS OF YOUR SYMPOSIUM ON ENERGY, RESOURCES AND THE ENVIRONMENT HELD IN 1975, IT STRUCK ME YOUR PROJECTIONS OF FUTURE GROWTH OF DOMESTIC INDONESIAN DEMAND FOR OIL WERE SO HIGH. THUS, AS YOUR POPULATION GROWS FROM 120 MILLION TO 250 MILLION BY THE YEAR 2000, YOUR EXPERTS PREDICT A PER CAPITA CONSUMPTION OF COMMERCIALLY PRODUCED ENERGY WOULD GROW BY 600 PERCENT. IN REAL BARRELS, PERCAPITA CONSUMPTION BY YOUR PEOPLE WILL GO FROM 0.6 TODAY TO 4 BARRELS ANNUALLY IN 2000. JUST TO MEET YOUR DOMESTIC DEMAND YOU WILL HAVE TO PRODUCE 2.4 MILLION BARRELS PER DAY, WHICH OF COURSE IS MUCH HIGHER THAN YOUR TOTAL PRODUCTION TODAY. JUST TO MAINTAIN YOUR PRESENT EXPORTS, YOU WILL HAVE TO PRODUCE 4 MILLION BARRELS PER DAY, TRIPLING PRESENT PRODUCTION. TO MAINTAIN A LUCRATIVE EXPORT INDUSTRY THEN, YOU FACE MANY OF THE SAME PROBLEMS THAT AMERICA DOES IN SEARCHING FOR ALTERNATIVE FORMS OF ENERGY TO MEET DOMESTIC NEEDS.

BEFORE I GO FURTHER, I HAVE NOTED THAT INDONESIA, AS A MEMBER OF OPEC HAS BEEN A VOICE OF REASON WITHIN OPEC. KNOWING THAT FURTHER ABRUPT PRICE INCREASES WILL BE VERY DIFFICULT FOR THE WORLD ECONOMY TO SUSTAIN WITHOUT SLIPPING BACK INTO RECESSION, YOU HAVE CALLED FOR MODERATION WITHIN OPEC. FURTHER, REFUSING TO USE OIL AS A

POLITICAL WEAPON IN REGARD TO THE MIDDLE EAST, YOU DID NOT ENGAGE IN THE DESTRUCTIVE OIL EMBARGO OF 1973. FOR THIS MODERATION AND REASONABLENESS, I THANK YOU.

LET ME GIVE YOU A BRIEF STATUS REPORT ON THE ENERGY SITUATION TODAY IN AMERICA. IT CAN BE BROKEN DOWN INTO FOUR EXPENSIVE ENERGY SOURCES, AND A GREAT DEAL OF ARGUMENT AND TENSION WITHIN MY POLITICAL AND ECONOMIC SYSTEMS. THESE SOURCES ARE, OF COURSE, OIL, COAL, NUCLEAR, AND SOLAR.

WE HAVE MADE NO PROGRESS IN COPING WITH THE OIL SITUATION IN THE WAY WE DESIRE. WE HAVE NOT BECOME LESS DEPENDENT LIMITED OFFICIAL USE LIMITED OFFICIAL USE

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ON ARAB OPEC SOURCES, DESPITE THE FACT THAT THIS HAS BEEN OUR NUMBER ONE PRIORITY.

IN 1973, OIL ACCOUNTED FOR 46.8 PERCENT OF THE ENERGY CONSUMED IN THE U.S. TODAY IT IS ALMOST THE SAME: 46.7 PERCENT. TOTAL U.S. DEMAND IS 17.3 MILLION BARRELS A DAY; IN 1973, IT WAS 17.2 PER DAY. SO THERE HAS NOT BEEN TOO MUCH GROWTH. BUT, I EXPECT THAT AS WE COME OUT OF THE RECESSION, THERE WILL BE MORE DEMAND GROWTH BECAUSE WE SEE PRESENT DEMAND FOR GASOLINE FOR AUTOMOBILES AT HISTORIC HIGHS, AND A SHIFT AWAY FROM MORE FUEL-ECONOMICAL CARS, THAT IS SO-CALLED COMPACT CARS, TOWARD MORE MEDIUM-SIZED CARS WHICH GET LESS MILES PER GALLON.

RESIDENTIAL AND COMMERCIAL CONSUMPTION RATES ARE RETURNING TO THEIR HISTORICAL ANNUAL GROWTH RATES OF 8.5 PERCENT AND 9.5 PERCENT RESPECTIVELY. THUS, RECENT LOW GROWTH RATES IN TOTAL CONSUMPTION WAS MOST LIKELY DUE TO DECREASED INDUSTRIAL ACTIVITY. IT SEEMS OUR PEOPLE ARE NOT YET SUFFICIENTLY CONSERVATION-MINDED.

IT MEANS THAT WE WILL HAVE TO FORCE OUR PEOPLE, THROUGH THE LAW, TO BE MORE CONSERVATION-MINDED. FIRST AND FOREMOST, I BELIEVE WE MUST FORCE OUR AUTOMOBILE INDUSTRY TO BUILD BETTER MACHINES -- I AND A NUMBER OF MY COLLEAGUES WILL BE ATTEMPTING TO MOVE LEGISLATION OF THIS TYPE DURING THE UPCOMING CONGRESS. WE CALCULATE THAT THIS LEGISLATION WILL BE ABLE TO SAVE A MILLION BARRELS OF OIL A DAY WITHIN THE NEXT SEVEN YEARS.

FRANKLY, I AM WORRIED ABOUT ANOTHER EMBARGO. THE U.S. IS IN A MORE PRECARIOUS POSITION, THAT IS MORE VULNERABLE - IT WILL HURT US MORE - TODAY THAN THE EMBARGO OF 1973. ALTHOUGH WE IMPORT LESS ON A TOTAL BASIS TODAY: IMPORTING 6.7 MILLION BARRELS OF CRUDE AND PRODUCE A DAY TODAY COMPARED WITH 9.8 IN 1973, WE ARE NOT GETTING 40 PERCENT OF IT FROM ARAB SOURCES. IN 1973 WE WERE GETTING ONLY 23

PERCENT OF OUR IMPORTS FROM ARAB COUNTRIES. THIS DRAMATIC INCREASE OF VULNERABLE IMPORTS IS WORRISOME -- I HOPE THAT WE WILL BE ABLE TO IMPORT MORE OF OUR CRUDE FROM INDONESIA AS WE GO ALONG IN THE NEXT FEW YEARS.

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WE CANNOT HOPE TO INCREASE OUR DOMESTIC SUPPLIES OF OIL VERY MUCH OVER THE NEXT TWENTY YEARS - WE WILL BE LUCKY TO KEEP EVEN WITH OUR PRESENT OUTPUT, DESPITE INCREASED SUPPLIES COMING FROM OUR FIELDS FROM ALASKA AND FROM THE OUTER CONTINENTAL SHELF. IN FACT, OUR DOMESTIC PRODUCTION DROPPED FIVE PERCENT WITHIN THE LAST YEAR ALONE.

NEITHER, AS A MATTER OF FACT, CAN WE RELY ON SUPPLIES FROM OTHER PARTS OF THE WORLD, INCLUDING INDONESIA, IN THE LONG RUN. AFTER ALL, YOU WILL BE OUT OF OIL, PROBABLY, BY THE YEAR 2020, UNLESS YOU FIND A COUPLE OF MORE FIELDS LIKE MINAS. THIS IS POSSIBLE, BUT WE SHOULD BE FOOLISH ENOUGH TO DEPEND ON IT.

THIS LEAVES US WITH COAL, NUCLEAR AND SOLAR. COAL IS A FAVORITE OF OUR NEW PRESIDENT, MR. CARTER. WE HAVE VAST RESOURCES AND, WITH SOME PROMISING NEW TECHNOLOGIES TO SCRUB, OR CLEAN, THE SMOKE COAL CREATES, IT IS PART OF THE ANSWER. BUT TO DO IT ADEQUATELY WILL REQUIRE A TREMENDOUS INVESTMENT TO REVITALIZE OUR RAILROADS. TRANSPORTATION COSTS WILL COMPRISE 50 PERCENT OF THE COST OF COAL, PERHAPS MORE; AND THERE ARE STILL SERIOUS ENVIRONMENTAL PROBLEMS. BUT MORE EFFORT IS DEFINITELY NEEDED ON THE COAL FRONT.

THE GREAT DEBATE TODAY IN THE U.S. CENTERS AROUND NUCLEAR ENERGY, AND SOLAR ENERGY IS IN A REAL WAY A CHALLENGER TO NUCLEAR POWER. THIS IS SO PARTLY BECAUSE WE HAVE ONLY A CERTAIN AMOUNT OF MONEY THAT WE CAN DEDICATE TO RESEARCH AND DEVELOPMENT OF ENERGY, AND AS WE ARE INCREASING THE FUNDING FOR SOLAR TECHNOLOGIES, THE MONEY MUST COME FROM ANOTHER PORTION OF THE BUDGET. THUS, ONE DISTINCT PROBABILITY IS THAT OUR FUNDING FOR NUCLEAR POWER DEVELOPMENT AT THE FEDERAL GOVERNMENT LEVEL WILL BE REDUCED SOMEWHAT AS WE GREATLY EXPAND FUNDING FOR SOLAR POWER DEVELOPMENT.

WITHIN THE AMERICAN CONGRESS, THERE IS AT THIS VERY MOMENT IMPORTANT INSTITUTIONAL CHANGE CONCERNING ENERGY. THE VERY POWERFUL JOINT COMMITTEE ON ATOMIC ENERGY, WHICH HAS BEEN A SPOKESMAN FOR THE NUCLEAR INDUSTRY IN AMERICA, HAS FALLED

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INTO DISREPUTE. LAST WEEK THE HOUSE OF REPRESENTATIVES STRIPPED IT OF ITS POWER.

AT THE SAME TIME, MEETINGS ON NEW INITIATIVES IN THE SOLAR ENERGY FIELD ARE GOING ON, AND I FULLY EXPECT TO INTRODUCE A COMPREHENSIVE NEW PACKAGE ON THESE NEW TECHNOLOGIES IN THE NEXT CONGRESS, WHICH WILL INCLUDE INTERNATIONAL INITIATIVES.

AS YOU KNOW, THERE ARE FRIGHTFUL PROBLEMS WITH NUCLEAR ENERGY. PROLIFERATION IS THE NUMBER ONE PROBLEM. IF PRESENT TRENDS CONTINUE, THAT IS IF THE NUCLEAR EXPORT INDUSTRIES IN THE U.S., GERMANY AND FRANCE INSIST ON MARKETING REACTORS TO OTHER NATIONS, AND THE GOVERNMENTS OF THOSE COUNTRIES DON'T STOP THEM, THEN WITHIN TEN YEARS OVER 30 COUNTRIES WILL HAVE THE CAPABILITY OF PRODUCING ATOMIC BOMBS, JUST AS THE INDIANS DID, WITH THE PLUTONIUM BY-PRODUCT OF THE PRESENT FISSION REACTORS. THE LIST INCLUDES SOUTH AFRICA, ARGENTINA, SOUTH KOREA, EGYPT, PAKISTAN AND TURKEY. DO YOU FEEL AT EASE WITH THE THOUGHT THAT THESE COUNTRIES MAY HAVE ATOMIC WEAPONS? I DO NOT THINK THAT WE CAN ANY LONGER PERMIT THE EXPORT OF THESE MATERIALS UNDER PRESENT WORLD CONDITIONS, AND THUS THE EXPORT INDUSTRY NEEDS EITHER TO BE STOPPED OR A SERIES OF TOUGH MONITORING MEASURES HAVE TO BE INTRODUCED. THERE ARE, OF COURSE, OTHER PROBLEMS WITH THESE PLANTS - THE WORLD DOES NOT KNOW WHAT TO DO WITH THE RADIOACTIVE WASTE PRODUCTS THESE PLANTS CREATE. AND THERE ARE SIGNIFICANT SAFETY HAZARDS AS WELL.

IT IS PROJECTED THAT IF PRESENT TRENDS CONTINUE, THAT BY 1990 REACTORS IN THE DEVELOPING COUNTRIES ALONE WILL PRODUCE ENOUGH PLUTONIUM FOR 3,000 BOMBS A YEAR.

FURTHERMORE, THE CAPITAL COSTS OF THESE PLANTS, AS INDONESIA WELL KNOWS, ARE EXTREMELY HIGH. RELIABLE ESTIMATES INDICATE THAT A TYPICAL NUCLEAR FISSION POWER-PLANT IN THE YEAR 1985 WILL COST MORE THAN A COMPARABLE COAL-BURNING PLANT.

I WOULD CITE TWO OTHER PROBLEMS WITH THESE PLANTS. FIRST, BY DEFINITION THEY REPRESENT HIGHLY CONCENTRATED ENERGY LIMITED OFFICIAL USE  
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PRODUCERS. THAT IS, ENERGY SOURCES ARE CENTRALIZED TO A HIGH DEGREE. THIS LEADS, IN THE LONG RUN, TO A POLITICAL PROBLEM WHICH IS ONLY APPRECIATED BY FEW AT THIS TIME. IF THE ENERGY SOURCES OF POWER TO A NATION ARE HIGH CENTRALIZED IN A SERIES OF HUGE NUCLEAR PLANTS, THAN THE FORCES WHICH CONTROL THE SECURITY OF THESE PLANTS HAVE A STRANGLEHOLD ON THAT NATION'S LIFEBLOOD. THERE ARE OBVIOUS POTENTIAL DANGERS FOR MANY POLITICAL SYSTEMS IN THIS

THOUGHT. MORE THAN THAT, THERE IS THE VERY REAL DANGER THAT PURCHASING NATIONS WILL BECOME ENSLAVED TO EXPORTING NATIONS FOR THE TECHNOLOGY WHICH KEEPS THE PLANTS GOING, WITH THE DANGER OF POLITICAL BLACKMAIL GROWING IN PROPORTION TO HOW MUCH A PARTICULAR NATION IS DEPENDENT UPON THE CENTRALIZED POWER SOURCE.

IT IS MY UNDERSTANDING THAT YOU HAVE DEFERRED A DECISION ON NUCLEAR POWER FOR THE TIME BEING, AND I BELIEVE THERE IS WISDOM IN THIS DECISION BECAUSE OF BOTH THE UNCERTAINTY OF THE TECHNOLOGY AND THE UNRESOLVED QUESTION OF WHETHER THE EXPORTING NATIONS WILL CURTAIL SALES OR OTHERWISE PLACE NEW RESTRICTIONS ON PURCHASING NATIONS.

IT IS WORTHWHILE NOTING THAT AUSTRALIA HAS NOW ABANDONED ANY IDEA OF DEVELOPING NUCLEAR ENERGY, AND IS PROJECTING THAT BY THE END OF THE CENTURY IT WILL BE DERIVING FROM SOLAR ENERGY HALF THE FUEL NEEDED TO DRIVE ITS AIR AND SURFACE VEHICLES. AUSTRALIA ALSO PROJECTS THAT BY THE YEAR 2000 INDUSTRIAL AND RESIDENTIAL SOLAR SYSTEMS WILL TAKE CARE OF 12 PERCENT OF THE COUNTRY'S ENERGY REQUIREMENTS.

FOR ALL THE REASONS I HAVE DISCUSSED, IT IS NOT SURPRISING THAT THE PLANNED EXPANSION OF NUCLEAR GENERATING CAPACITY IN THE U.S. HAS BEEN CUT BACK DRASTICALLY. IN 1973 THE ATOMIC ENERGY COMMISSION PREDICTED THERE WOULD BE ABOUT THE EQUIVALENT OF 260 NUCLEAR PLANTS IN THE U.S. OF THE ONE-THOUSAND MEGAWATT SIZE, WHICH IS VERY LARGE - BY 1985. THE CURRENT PROJECTION IS LESS THAN HALF OF THAT, AND ONLY ABOUT THE EQUIVALENT OF 120 SUCH PLANTS. IT IS VERY PROBABLY THE PROJECTION WILL CONTINUE TO DROP, THROWING THE FINANCIAL POSITION OF THE NUCLEAR INDUSTRY INTO GREAT LIMITED OFFICIAL USE  
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QUESTION.

IS THERE ANOTHER OPTION?

LAST YEAR I WAS DEEPLY INVOLVED IN A MOVE IN THE U.S. CONGRESS TO INCREASE OUR RESEARCH AND DEVELOPMENT FUNDING FOR SOLAR POWERED ENERGY SOURCES - INCLUDING ENERGY FROM THE SUN AS WELL AS FROM THE OCEANS.

THERE IS GREAT PROMISE IN THE SUN SOURCES -- AND PROJECTIONS WHICH I THINK ARE RELIABLE SHOW THAT WE CAN PRODUCE MORE ENERGY, BOTH HEAT AND ELECTRICITY, IF WE INVEST HEAVILY IN SOLAR ENERGY THAN WE HAVE WITH NUCLEAR ENERGY. THERE IS EXPENSE INVOLVED, BUT WHEN ALL ENERGY SOURCES ARE EXPENSIVE, THEN WE TURN TO OTHER CONSIDERATIONS.



I WOULD LIKE TO SHARE WITH YOU THE PROJECTIONS OF A STUDY WHICH HAS JUST BEEN CONCLUDED, BUT NOT YET RELEASED, BY STANFORD UNIVERSITY ON SOLAR ENERGY. THE STUDY CONCLUDES:

QUOTE: SOLAR ENERGY IS THE ONE ENERGY SOURCE FOR WHICH THERE ARE NO FUNDAMENTAL SCIENTIFIC OBSTACLES, NO INSURMOUNTABLE TECHNOLOGICAL BARRIERS, NO SERIOUS

ENVIRONMENTAL PROBLEMS, NO ORGANIZED PUBLIC-INTEREST OPPOSITION, AND NO INSUPERABLE IMPEDIMENTS TO IMPLEMENTATION. A NATION THAT WANTED TO ENSURE AGAINST FORECLOSING OF FUTURE OPTIONS WOULD MAKE A SOCIAL DECISION TO IMPLEMENT SOLAR TECHNOLOGY FAR MORE RAPIDLY THAN ECONOMIC DECISION MAKING WOULD OTHERWISE WARRANT. END QUOTE.

THE BENEFITS THAT WOULD BE AVAILABLE TO INDONESIA, AND WOULD BE OF GREAT INTEREST TO MANY OF MY COLLEAGUES IN THE U.S. CONGRESS ARE MANY:

-- THE QUESTION OF DECENTRALIZATION: AS AN ARCHIPELAGO NATION, IN THE LONG TERM YOU MIGHT WANT TO CONSIDER SOLAR ENERGY SYSTEMS TO PROVIDE READILY AVAILABLE AND SAFE SUPPLIES OF ENERGY THROUGHOUT YOUR ISLAND NATION. THIS WOULD PERMIT, AND I SUGGEST THIS ONLY AS A THOUGHT FROM A LIMITED OFFICIAL USE  
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FRIENDLY OBSERVER, MORE RAPID GROWTH OUTSIDE OF JAVA, A GOAL WHICH I KNOW YOU ARE PURSUING VIGOROUSLY. WITH THE KNOWLEDGE OF THE AVAILABILITY OF ENERGY, ENTREPRENEURS MIGHT FIND RELOCATION OR START-UP ENTERPRISES OUTSIDE OF JAVA AN EASIER DECISION.

THERE HAS BEEN INCREASING SKEPTICISM ABOUT THE CAPABILITY OF NUCLEAR POWER TECHNOLOGY TO CONTRIBUTE TO DEVELOPMENT IN ENERGY-STARVED RURAL AREAS. IN LATIN AMERICA, FOR EXAMPLE ONLY TWO PERCENT OF THE ELECTRICITY GENERATED IS USED IN RURAL AREAS. IN KENYA, 98.5 PERCENT OF THE ELECTRICITY IS USED BY CITY-DWELLERS. IN INDIA, ONLY 11 PERCENT OF THE VILLAGES ARE ELECTRIFIED, AND IN THESE VILLAGES, USUALLY ONLY 15 PERCENT OF THE VILLAGE-DWELLERS ARE USING ELECTRICITY. THE INDIAN REACTORS HAVE BEEN A MAJOR DRAG ON DEVELOPMENT DUE TO THEIR UNRELIABILITY AND CONSEQUENT POWER SHORTAGES WHICH HAVE HAMPERED TEXTILE AND STEEL PRODUCTION.

I ENVY YOUR ABILITY TO MAKE THIS DECISION. IN THE U.S., WHICH BY YOUR STANDARDS IS AN AGING COUNTRY, HAVING JUST CELEBRATED ITS 200 BIRTHDAY, WE HAVE SERIOUS INSTITUTIONAL OBSTACLES TO EXPERIMENTING WITH DECENTRALIZED SOLAR SYSTEMS. OUR MATURE UTILITY NETWORKS CRISS-CROSS OUR

NATION IN A CONSERVATIVE, NON-CREATIVE SERIES OF BARRIERS TO NEW IDEAS. THE POWERFUL ALLIES OF THESE OIL- AND NUCLEAR-ORIENTED INTERESTS IN THE EXECUTIVE AS WELL AS LEGISLATIVE BRANCHES OF MY GOVERNMENT HAVE ATTEMPTED TO STALL THE DEVELOPMENT OF THESE NEW FORDS OF ENERGY AND - IT IS VERY TRUE - THAT I SUGGEST TO YOU THAT YOU MAY HELP PROVIDE US WITH THE ANSWER. I WOULD SUGGEST MUTUAL PROGRAMS IN SOLAR ENERGY WHEREBY WE PROVIDE SOME OF THE TECHNOLOGIES

DEVELOPING IN OUR UNIVERSITIES AND LABORATORIES FOR YOU TO ADAPT TO YOUR NEEDS, AND TO DEMONSTRATE, WITH A VIEW TOWARD CONVINCING THE OPPONENTS OF THESE SYSTEMS IN MY OWN COUNTRY OF THEIR VALUE AS A WAY TO EASE THE ENERGY CRISIS.

IN FACT, WE NEED YOUR HELP ON THIS MATTER. I PREFER TO VIEW IT AS A TWO-WAY TRANSFER OF TECHNOLOGY, WE PROVIDE SOME OF THE HARDWARE AND EXPERTISE, YOU GET IT BACK TO US LIMITED OFFICIAL USE LIMITED OFFICIAL USE

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HAVING DEMONSTRATED ITS VIABILITY. YOU MIGHT EVEN CONSIDER IT AS A NEW EXPORT POSSIBILITY. YOU MIGHT BE ABLE TO DEVELOP A TREMENDOUS MARKET FOR DEVICES YOU TEST, ADAPT AND DEMONSTRATE.

THIS IS AN IDEA WHICH I WOULD LIKE YOUR REACTION TO. IT WOULD, I THINK, PROVIDE A UNIQUE EXAMPLE OF HOW A MUTUALLY BENEFICIAL TRANSFER OF TECHNOLOGY COULD BE ACHIEVED BETWEEN OUR TWO NATIONS. CERTAINLY A GOOD FIRST STEP IS AN EXTENSIVE SHARING OF INFORMATION IN THIS FAST-GROWING FIELD, AND IT IS MY HOPE THAT THE IDEA CAN BE IMPLEMENTED DURING THE NEXT U.S. CONGRESS. I WELCOME YOUR REACTION TO THIS SUGGESTION, AS, I MIGHT ADD, I WELCOME YOUR IDEAS ON ALL FRONTS AS TO HOW WE MIGHT MORE PRODUCTIVELY COOPERATE ACROSS THE BOARD IN MANY FIELDS.

YOUR COUNTRY IS ONLY 31 YEARS OLD. YET YOU ARE ALREADY TAKING A MATURE PLACE IN THE WORLD, JUDGING FROM THE MODERATE STANCE YOU HAVE TAKEN ON WORLD ENERGY QUESTIONS WITHIN OPEC, AND ALTHOUGH A TOPIC FOR ANOTHER DISCUSSION, A STANCE WHICH IS MODERATE AND WORKABLE IN THE NORTH-SOUTH DIALOGUE WHICH IS ONGOING.

IN MANY WAYS THE CHALLENGES YOU FACE ARE UNKNOWN IN THE WORLD. IT TOOK CENTURIES FOR WESTERN SOCIETIES TO MATURE TO THEIR PRESENT STATUS. NOT ONLY ARE YOU ATTEMPTING TO LEARN THE LESSONS OF YOUR DEVELOPMENT IN A VERY SHORT TIME, BUT YOU HAVE AS WELL TO BARGAIN WITH US AS EQUALS ON A VARIETY OF UNFAMILIAR FRONTS. THE NORTH-SOUTH DISCUSSIONS, AND THE ACTIVITIES IN THE FIELDS OF FOOD AND ENERGY, TO NAME THE TWO AREAS OF MY CONCERN, ARE FAST-MOVING AND EXCITING. WE LIVE IN AN EXCITING TIME, AND INDONESIA AS

A MAJOR ACTOR IN THE WORLD FOR DECADES TO COME WILL, I AM  
CERTAIN, BE A MODEL FOR OTHER DEVELOPING NATIONS TO FOLLOW  
IN THE AREAS OF NORTH-SOUTH RELATIONS, AND AS AN ENLIGHTENED  
PARTNER OF AMERICA. I LOOK FORWARD TO THIS, AND I THANK  
YOU FOR YOUR INDULGENCE IN LISTENING TO ME THIS MORNING.

I THANK YOU. ROBINSON

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## Message Attributes

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**Disposition Comment:** 25 YEAR REVIEW  
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**Disposition Event:**  
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**Review Authority:** ElyME  
**Review Comment:** n/a  
**Review Content Flags:**  
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**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <26 MAY 2004 by ifshinsr>; APPROVED <22 SEP 2004 by ElyME>  
**Review Markings:**

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EO Systematic Review  
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**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
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**TAGS:** OREP, ENRG, US, IN, (JEFFORDS, JAMES M)  
**To:** JAKARTA  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006